

Martin J. Bienenstock, Esq. (MB 3001)
Michael P. Kessler, Esq. (MK 7134)
Jeffrey L. Tanenbaum, Esq. (JT 9797)
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, NY 10153-0119
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

– and –

Robert B. Weiss, Esq.
Frank L. Gorman, Esq.
HONIGMAN MILLER SCHWARTZ AND COHN LLP
2290 First National Building
660 Woodward Avenue
Detroit, MI 48226-3506
Telephone: (313) 465-7000
Facsimile: (313) 465-8000

Attorneys for General Motors Corporation

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X		
In re	:	
	:	Chapter 11 Case No.
	:	
DELPHI CORPORATION, <u>et al.</u>,	:	05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
-----X		

**PRELIMINARY OBJECTION OF GENERAL MOTORS
CORPORATION TO DEBTORS' MOTION FOR ORDER
UNDER 11 U.S.C. § 365 AND FED. R. BANKR. P. 6006 AUTHORIZING
REJECTION OF CERTAIN EXECUTORY CONTRACTS**

TO THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE:

General Motors Corporation (“GM”), as and for its preliminary objection
(the “Preliminary Objection”) to the motion (the “Motion”) of Delphi Corporation

(“Delphi”) and certain of its subsidiaries and affiliates, as debtors and debtors-in-possession in the above-captioned cases (collectively, the “Debtors”), pursuant to sections 365 of title 11 of the United States Code (the “Bankruptcy Code”) for entry of an order authorizing rejection of certain executory contracts with GM, respectfully represents:

Background

1. On October 8, 2005 or October 14, 2005, each of the Debtors filed a voluntary petition for relief in this Court under chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue to manage and operate their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. On March 31, 2006, the Debtors filed the Motion. In the Motion, the Debtors seek authority to reject 5,472 supply contracts with GM (the “Supply Contracts”) upon ten days’ notice to GM, GM’s counsel, and the official committee of unsecured claimholders.

3. To properly analyze the Motion and the Debtors’ assertions thereto, GM informally requested the Debtors to produce certain documents. The Debtors have declined the requests, taking the position that until there is an objection on file, the Motion is not a contested matter and GM is not entitled to discovery under the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). The Debtors’ position is merely a delaying tactic. Nonetheless, GM files this Preliminary Objection in an attempt to avoid an unnecessary discovery dispute.

Preliminary Objection

4. The Motion should be denied because, among other things, it fails to demonstrate that Delphi's business judgment is valid for many reasons, including, without limitation, its failure to disclose Delphi's (a) financial calculations, (b) financial assumptions, (c) consideration or lack of consideration of the impact of its proposed rejections on its business, and (d) reliance or nonreliance on obtaining relief from its union contracts.

5. GM reserves its rights to file a complete, final objection after discovery and to seek discovery from the Debtors as to any and all facts and allegations asserted in the Motion and any and all defenses GM may have to the Motion.

6. Notice of this Preliminary Objection has been provided pursuant to this Court's Order, dated October 14, 2005, establishing notice procedures in these chapter 11 cases. GM submits that no other or further notice need be provided.

WHEREFORE GM requests that the Court deny the Motion and grant GM such other and further relief as is just.

Dated: April 12, 2006
New York, New York

/s/ Michael P. Kessler
Martin J. Bienenstock, Esq. (MB 3001)
Michael P. Kessler, Esq. (MK 7134)
Jeffrey L. Tanenbaum, Esq. (JT 9797)
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, NY 10153-0119
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

– and –

Robert B. Weiss, Esq.
Frank L. Gorman, Esq.
HONIGMAN MILLER SCHWARTZ
AND COHN LLP
2290 First National Building
660 Woodward Avenue
Detroit, MI 48226-3506
Telephone: (313) 465-7000
Facsimile: (313) 465-8000

Attorneys for General Motors Corporation